

ORIGINAL OPEN MEETING ITEM



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BEFORE THE ARIZONA CORPORATION COMMISSION

**COMMISSIONERS**

SUSAN BITTER SMITH – CHAIRMAN  
BOB STUMP  
BOB BURNS  
DOUG LITTLE  
TOM FORESE

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AZ CORP COMMISSION  
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION OF  
LITCHFIELD PARK SERVICE COMPANY, AN  
ARIZONA CORPORATION, FOR A  
DETERMINATION OF THE FAIR VALUE OF ITS  
UTILITY PLANTS AND PROPERTY AND FOR  
INCREASES IN ITS WASTEWATER RATES AND  
CHARGES BASED THEREON FOR UTILITY  
SERVICE.

DOCKET NO. SW-01428A-13-0042

IN THE MATTER OF THE APPLICATION OF  
LITCHFIELD PARK SERVICE COMPANY, AN  
ARIZONA CORPORATION, FOR A  
DETERMINATION OF THE FAIR VALUE OF ITS  
UTILITY PLANTS AND PROPERTY AND FOR  
INCREASES IN ITS WATER RATES AND  
CHARGES BASED THEREON FOR UTILITY  
SERVICE.

DOCKET NO. W-01427A-13-0043

**NOTICE OF FILING PROPOSED  
ORDER STAYING SIB MECHANISM**

In Decision No. 74437 (April 14, 2014), the Arizona Corporation Commission (“Commission”) granted a system improvement benefits mechanism (“SIB”) for Liberty Utilities (Litchfield Park Water and Sewer) Corp. for its water and sewer divisions. On August 18, 2015, the Court of Appeals issued an opinion in Case No. 1 CA-CC 13-0002, which set aside the Commission’s approval of a SIB mechanism that was materially identical to the SIB approved in Decision No. 74437.

In light of the Court’s ruling, it is appropriate to stay the implementation of the SIB mechanism, along with all compliance matters related to the SIB mechanism as set forth in the Plans of Administration, pending the outcome of further court proceedings.

Arizona Corporation Commission

**DOCKETED**

SEP 17 2015

DOCKETED BY

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1 Staff hereby provides notice of filing the attached proposed order staying operation of the  
2 SIB mechanism approved in Decision No. 74437. It is anticipated that the proposed order will be  
3 scheduled to be considered by the Commission during the regularly scheduled Open Meeting on  
4 October 20 and 21, 2015. However, interested parties should check the Commission's website for  
5 posting of this item on a Commission agenda.

6 It is noted that the attached proposed order is not an order of the Commission. Exceptions to  
7 the proposed order may be filed in the docket by September 28, 2015.

8 RESPECTFULLY SUBMITTED this 17<sup>th</sup> day of September, 2015.

9  
10 

11 Robin R. Mitchell, Staff Attorney  
12 Matthew Laudone, Staff Attorney  
13 Legal Division  
14 Arizona Corporation Commission  
1200 West Washington Street  
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(602) 542-3402

15 Original and thirteen (13) copies of the  
16 foregoing filed this 17<sup>th</sup> day of September,  
2015, with:

17 Docket Control  
18 Arizona Corporation Commission  
1200 West Washington Street  
19 Phoenix, AZ 85007

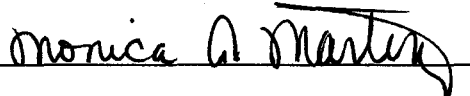
20 Copy of the foregoing mailed and/or emailed  
21 this 17<sup>th</sup> day of September, 2015 to:

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28 

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2  
3 **COMMISSIONERS**

4 SUSAN BITTER SMITH - CHAIRMAN

5 BOB STUMP

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9 IN THE MATTER OF THE APPLICATION OF  
10 LITCHFIELD PARK SERVICE COMPANY, AN  
11 ARIZONA CORPORATION, FOR A  
12 DETERMINATION OF THE FAIR VALUE OF ITS  
13 UTILITY PLANTS AND PROPERTY AND FOR  
14 INCREASES IN ITS WASTEWATER RATES AND  
15 CHARGES BASED THEREON FOR UTILITY  
16 SERVICE.

DOCKET NO. SW-01428A-13-0042

17 IN THE MATTER OF THE APPLICATION OF  
18 LITCHFIELD PARK SERVICE COMPANY, AN  
19 ARIZONA CORPORATION, FOR A  
20 DETERMINATION OF THE FAIR VALUE OF ITS  
21 UTILITY PLANTS AND PROPERTY AND FOR  
22 INCREASES IN ITS WATER RATES AND  
23 CHARGES BASED THEREON FOR UTILITY  
24 SERVICE.

DOCKET NO. W-01427A-13-0043

25 **DECISION NO. \_\_\_\_\_**

26 Open Meeting  
27 October 20, 2015  
28 Phoenix, Arizona

**BY THE COMMISSION:**

**FINDINGS OF FACT**

1. On April 14, 2014, the Arizona Corporation Commission ("Commission") issued Decision No. 74437. Among other things, Decision No. 74437 approved Liberty Utilities (Litchfield Park Water and Sewer) Corp. ("Company") to implement a system improvement benefits mechanism ("SIB"). On August 18, 2015, the Arizona Court of Appeals issued an opinion in Case No. 1 CA-CC 13-0002, which set aside the Commission's approval of a SIB mechanism that was materially identical to the SIB approved in Decision No. 74437.

2. In light of the Court's ruling, and in balancing the interests that are implicated in this matter, the Commission finds it is reasonable and in the public interest to stay operation of the SIB

1 mechanism approved for the Company by Decision No. 74437 pending the outcome of further court  
2 proceedings.

3 **CONCLUSIONS OF LAW**

4 1. Liberty Utilities (Litchfield Park Water and Sewer) Corp. is a public service  
5 corporation within the meaning of Article XV of the Arizona Constitution.

6 2. The Commission has jurisdiction over Liberty Utilities (Litchfield Park Water and  
7 Sewer) Corp., and the subject matter of this filing.

8 3. It is in the public interest to stay the operation of the System Improvement Benefits  
9 Mechanism approved by Decision No. 74437 pending the outcome of further court proceedings and  
10 until further order of the Commission.

11 **ORDER**

12 IT IS THEREFORE ORDERED that the System Improvement Benefit Mechanism approved  
13 by Decision No 74437, is hereby stayed until further order of the Commission.

14 IT IS FURTHER ORDERED that all compliance requirements specifically associated with  
15 operation of the System Improvement Benefits Mechanism are likewise stayed until further order of  
16 the Commission.

17 IT IS FURTHER ORDERED that all other aspects of Decision No. 74437 shall remain in  
18 effect.

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IT IS FURTHER ORDERED that this Decision shall become effective immediately.

**BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION**

CHAIRMAN

COMMISSIONER

COMMISSIONER

COMMISSIONER

COMMISSIONER

IN WITNESS WHEREOF, I, JODI JERICH, Executive Director of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

JODI JERICH  
EXECUTIVE DIRECTOR

DISSENT: \_\_\_\_\_

DISSENT: \_\_\_\_\_

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